

Implementation of Assistance Program For Micro Enterprises (BPUM) In Central Java

Fiki Dzakiyati^{1*}, Kismartini², Retno Sunu Astuti³

Master of Public Administration Sciences, Faculty of Social Sciences and Political Sciences,
Universitas Diponegoro
Email : fikidzakiyati@gmail.com

(Received: June 6-2021; Revised: June 26-2021; Published: June 30-2021)

ABSTRACT

This study is motivated by the impact of the covid pandemic on micro, small and medium enterprises (UMKM). Closing of markets, closing of malls have significant impact on the ability of micro-entrepreneurs to conduct their business. One of the government's efforts to recover the economy matters and help micro-enterprises is with issue Assistance for micro-entrepreneurs (BPUM) program. 905,328 micro-entrepreneurs in Central Java were recorded to have received that government assistance program. However, the large number of BPUM recipients has not been able to fill the needs of UMKM in Central Java. It can be seen from the large number of requests and complaints for BPUM registration, both those posted through the governor's report channel, email, or other social media. This study aims to analyze and describe the implementation of BPUM program in Central Java and also to analyze and describe the supporting and inhibiting factors based on the Van Meter and Van Horne's policy implementation model. The type of this study is descriptive method with qualitative research approach. The results of this study showed that the implementation of the program needs to be improved due to the lack of communication and limited resources.

Keywords: implementation, micro-entrepreneurs, BPUM, Covid-19 pandemic

INTRODUCTION

Micro, Small and Medium Enterprises (MSMEs) have an important and strategic position in sustainable national economic development. The Indonesian Ministry of Cooperative SMEs noted that the number of MSMEs is increasing every year. The following is data on MSMEs in Indonesia.

In the current situation of the COVID-19 pandemic, the MSME sector really needs special attention from the government because it is the largest contributor to 57% of GDP (supported by BPS data for 2006 - 2010) and is a mainstay in employment, substituting production of consumer goods or half so. The Covid-19 pandemic first entered Indonesia in March 2020 (Pitaloka, Al Umar, Hartati, & Fitria, 2020).

The pandemic has had a major impact on MSME actors so that they cannot carry out their usual activities. This pandemic has forced many SMEs to close their businesses or temporarily stop their activities. The recommendation for physical distancing issued by the Indonesian government makes people stay at home and not go out to do their usual activities. One of the activities that disappear from routine is not shopping outside the home through existing MSMEs.

Savitri et al (2020) noted that there were three impacts of the pandemic on MSMEs. First, the closing of markets, the closure of malls has a significant impact on the ability of small and micro entrepreneurs to do business. SMEs which in fact have a small turnover. Due to this reduced income, MSMEs have difficulty paying the existing costs. These include salaries and wages for

workers, as well as other operational and non-operational costs. Second, there are product distribution barriers due to restrictions on the movement of product distribution in certain areas. At the beginning of the pandemic, MSMEs who used expedition services to send their goods were of course very hard hit. This is due to the difficulty of even delays by the expedition service in distributing shipments. This means that MSMEs are very disturbed and have a lot of impact because of this pandemic. Third, the difficulty of raw materials because as SMEs depend on the availability of raw materials from other industrial sectors. The number of factories providing raw materials that temporarily stop operating activities also has an impact on MSMEs who depend on raw materials from these industries. This causes delays in the manufacturing process so that production is not achieved.

The data collected by the SME Cooperatives Office of the Province of Central Java stated that there were 15,241 SMEs in Central Java affected by the COVID-19 pandemic. 80 percent of the MSMEs are MSMEs in the food sector (data as of August 31, 2020). Various efforts were made by the government to help micro-enterprises get out of the crisis. Starting from utilizing e-commerce and encouraging MSME actors to transform into the digital era to providing direct cash assistance to micro business actors.

Direct Cash Assistance (BLT) to MSMEs affected by Covid-19 is regulated in the KUKM Ministerial Regulation no. 6 of 2020 concerning BPUM (Aid for Micro Business Actors). BPUM is intended so that it can be used to increase capital and can be used properly. The assistance is given to MSMEs that have obtained permits from both the village and related institutions. This assistance is channeled through channeling banks, namely BRI, BNI, and Mandiri with registration through their respective local governments by filling out the registration form with various specified conditions. This is certainly very helpful for MSME actors in the midst of this new normal condition so that they can start their business as before.

The Central Java Province SME Cooperative Service noted that there were 905,328 micro business actors in Central Java who received BPUM, both those who received stage 1 and stage II (data update as of May 30, 2021). However, the large number of BPUM recipients has not been able to meet the needs of MSMEs in Central Java. This can be seen from the large number of requests and complaints regarding the registration of this BPUM, both submitted through the governor's report channel, email, or on other social media. As many as 202 complaints were recorded in the governor's report reporting on BPUM complaints. 1,433 complaints via email, and social media of the Prov. Central Java. That does not include complaints submitted to the Office in charge of SME Cooperatives in each city / district. This data is the basis for the author to formulate the question "How is the implementation of BPUM in Central Java.

The purpose of this study is to analyze the implementation of BPUM in Central Java and analyze the factors that support and hinder the implementation of BPUM in Central Java.

METHOD

This research is a type of qualitative research using a descriptive analysis approach. Meanwhile, the reason the researcher uses qualitative research is to find out the clarity of the problems to be discussed. The focus of this research is to find out the overall picture of what the implementation of the BPUM Program looks like based on the Van Meter and Van Hoorn policy implementation models. And what are the inhibiting and supporting factors in the implementation of the BPUM program.

Data collection is done by interviewing informants, observing phenomena or events, and reviewing documents. The analytical method used in this study is a qualitative research model analysis method developed by Ian Dey (1993). This method consists of 5 stages, namely: data collection, describing, classifying, connecting, accounts.

RESULTS AND DISCUSSION

Laswell and Kaplan cited by Nugroho (2017: 78), explain public policy as a projected program of goals, values, and practice or a program to achieve goals, with values in more focused practices. The relationship between policies, programs and projects is, a policy often includes a number of programs, and a program consists of a number of projects. However, a policy can also be directly implemented and implemented in the form of a project. Programs or sub-programs are viewed as means (instruments) to realize various objectives to be achieved by government policies.

According to Van Metter and Van Horn as quoted by Nugroho (2017: 136). This implementation process is an abstraction or performance of a policy which is basically deliberately carried out to achieve high policy implementation performance that takes place in the relationship of various variables. The variables are: Policy Size; Resource; Organizational communication; Characteristics of implementing agents; The attitude of the implementers and the policy environment can be seen in the following figure:

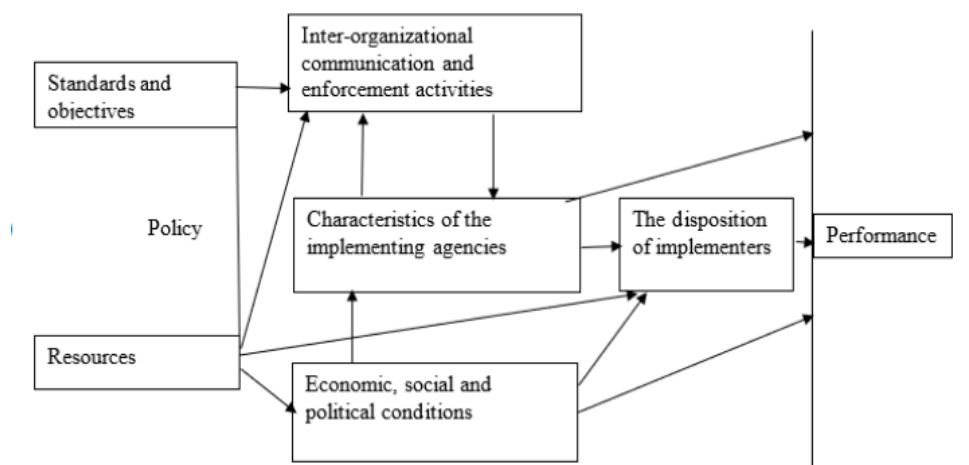


Figure 1 Policy Implementation according to Van Metter and Van Horn
Source: Van Meter dan Van Horn, Subarsono, 2005

Based on the research focus stated, it can be described on the variables that affect the Implementation of the Assistance Program for Micro Business Actors (BPUM) according to the policy implementation model developed by Van Meter and Van Hornn, as follows: (1) Policy Size and Objectives; (2) Resources; (3) Implementing Characteristics; (4) Attitude/Disposition of Implementing Agent; (5) Organizational and Implementing Communication; (6) Policy Environment and Program Supporting and Inhibiting Factors.

a. Policy Size and Purpose

Policy Size and Objectives, Based on the Technical Guidelines for the Implementation of the BPUM Program, it is to support national economic recovery in order to face threats that endanger the national economy and save the national economy during the Covid 19 pandemic. The target of this program is micro-enterprises who are not receiving credit or financing from banks. According to Van Meter and Van Horn as quoted by Wiinarno (2014: 159) performance indicators are a crucial stage in analyzing policy implementation and assessing basic measures and policy objectives are realized. The results of the research to recipients of BPUM 2020 assistance can be seen that the assistance provided is useful for buying business needs such as raw materials and equipment so that they can return to production. Meanwhile, in terms of marketing, accompanied by related agencies have been able to market their products outside the city and even abroad. According to Grindle as quoted by Wahab (2008), states that the type of benefit is a policy that has been made to provide benefits collectively or to many people, it will be easier to get support and a high level of compliance from the target group/community at large. The indicator of this factor is the economic, social, and cultural benefits that can be felt by the target group.

b. Resource

Resource; in this study divided into two, namely in the form of human and financial resources. The Provincial SME Cooperative Service acts as a collector of proposals from the Regency / City Office which then distributes the proposal to the Indonesian Ministry of Cooperative SMEs. For the condition of human resources, the number of employees owned by the selection team of the SME Cooperatives Office Prov. Central Java consists of 3 (three) people including the head of the assessment and selection team. While the number of the internal implementation team tasked with verifying the program proposal files is only 4 (four) people, this is still considered very limited. Therefore, extra efforts are needed to achieve the predetermined target considering that the number of actors proposed by the Cooperatives and SMEs Office in both the Regency/City and the Province is very large. In terms of financial resources, it is still considered very limited because the program facilitation budget does not exist. Moreover, the budget at the Office has also experienced a rationalization for handling covid 19. Meanwhile, the evaluation and monitoring budget is only available at the Ministry. This of course will have an impact on activities to the area to be less than optimal.

c. Characteristics of Executing Agent

The characteristics of the Implementing Agent cannot be separated from the 3 main actors in the implementation of assistance programs in an effort to develop beginner entrepreneurs, namely the Ministry of Cooperatives and SMEs as the leading sector, the Provincial SME Cooperative Service and the Regency/City SME Cooperative Service. If viewed from the authority structure is top down. Apart from the 3 main actors, this program also synergizes with Government Banks as distributors and cooperatives, as well as the media in program socialization. This is not in accordance with the Penta helix concept among five actors or better known as the ABCGM concept, namely: Academician, Business, Community, Government, Media. Where academic elements have not been involved in this program. Penta Helix's social development model promotes a culture of innovation and creative synergy. This is for social innovation where actors come together from various sectors of society to share common goals using specific skills

and resources to overcome common challenges (Toncovic, 2017). On the other hand, the organizational structure in terms of fragmentation of the implementation of government assistance programs in an effort to distribute BPUM between implementing agencies has established good coordination and cooperation. This is evidenced by the intense coordination between the Ministry of Cooperatives and SMEs and the Regional Cooperatives and SMEs Office. Guidelines for the implementation of BPUM distribution are reflected in Permenkop No. 6 of 2020. However, the implementation of SOPs still needs to be improved. Meanwhile, the sanctions applied are still administrative in nature.

d. *Attitude/Disposition of Implementing Agent*

Regarding the disposition of actors, it is reflected in the tendency of employees to obey their superiors. This can be reflected in the commitment of employees to complete their work, although the work target is sometimes delayed or overtime is required to achieve the desired target, but all work can be completed. Employees who tend to behave in accordance with the direction of their superiors. This high commitment from employees will certainly have a positive impact on program implementation. Based on the presentation of data and observations of researchers, it can be seen that a positive response to program implementation was given by all implementing agencies, this is reflected in the high enthusiasm between micro business actors and district/city and provincial offices competing to participate in this program and the number of proposals submitted every year has increased. In addition, the benefits of the program are felt by the Regency/City and provincial offices starting from the revival of the regional economy.

e. *Implementing Activity Communication*

Communication between Implementing Organizations; According to Edward III (1980) Communication in policy implementation includes several important dimensions, namely transformation (transmission), clarity of information (clarity) and consistency of information (consistency). Communication of the BPUM implementation program is carried out directly and indirectly. Direct communication can be done through coordination, socialization, and Focus Group Discussion (FGD) with related parties. Meanwhile, indirect communication is communication by utilizing technological advances as a means of communication media such as telephone, SMS, WhatsApp, email, fax and owned websites. Most of program communication is done through indirect communication. Communication through the transmission process to policy implementers such as through socialization, coordination and technical guidance facilitated by the Ministry of Cooperatives and SMEs to program implementers at the regional level. This has been going well. However, the communication that has taken place between the Central Government as the regulator and policy implementers at the regional level has not been fully forwarded to the public who receive the policy, in this case the micro-enterprises. Micro-enterprises are required to independently seek information on BPUM program procedures. So that these micro business actors tend to seek information and flood comments on the official social media accounts. Based on the research that has been done, there are more than 30 emails that enter every official account in addition to reporting to the governor and social media. While the officer / admin in charge of answering emails and other media is only one person. It also has other duties. So that communication with the community about BPUM is not optimal.

f. *Policy Environment*

Based on Permenkop UKM no. 6 Years that the target of this program is micro business actors who are not currently receiving bank credit. There are no specific provisions for being in a particular region or environment. The most important thing is that Indonesian citizens are proven

by their NIK. The community gave a positive response to this program. This is reflected in the high enthusiasm for the program and the large number of registrants. In addition, BPUM recipients really feel the benefits of the program because they can return to production, increase income turnover and can develop their business with the help of the capital that has been provided. Meanwhile, from the political side, there are still political elites who influence the implementation of the program by fighting for their constituents to also get the BPUM program. The Central Java SME Cooperative Service as a collector of BPUM recipients tries to be neutral and accommodate what is the demand or request of the political elite on the condition that it must comply with the technical instructions for program implementation.

Supporting and Inhibiting Factors of program implementation

The supporting factors for the Government Assistance Program in Efforts to Develop Beginner Entrepreneurs at the Ministry of Cooperatives and Micro Small Business are:

- 1) The rapid development of technology as a means of program communication: related to the rapid development of information and communication technology at this time, it is very helpful in implementing government assistance programs for the development of small and micro business groups in the midst of the Covid-19 outbreak. This is one of the supporting factors because it plays an important role in the development of small and micro businesses in the midst of the Covid-19 pandemic.
- 2) Commitment of program implementers; the commitment of the implementor of the micro small business group development program is a spirit in achieving the goals. Because in the implementation of public policy, the important role is the resources of the policy or program implementer.
- 3) Public support and enthusiasm for the program; The policy environment is also very influential in the implementation of this program, if the policy environment is less supportive or there is no responsiveness from the community, the policy will bounce and be difficult to implement, even though the policy is measured to be accurate and supported by adequate human resources.

The inhibiting factors for the Implementation of the Government Assistance Program in Efforts to Develop Beginner Entrepreneurs at the Ministry of Cooperatives and Small and Micro Enterprises are:

- 1) Not yet optimal communication and program coordination; Coordination in the implementation or implementation of policies is very much needed, so that there is a structural pattern of communication and monitoring so that program implementation can run effectively and efficiently. The reality that occurs in the implementation of policies for developing small and micro business groups is still lacking, where coordination from the village or sub-district level, sub-district, city districts to the province is still lacking so that there are still inconsistent data.
- 2) The program socialization is not yet optimal; Socialization will provide knowledge to the beneficiary community regarding the use of assistance. However, the lack of socialization on a regular basis affects the achievement or absorption of the use of assistance not in the applicable regulations, so that assistance becomes biased and there is no impact for the community.

- 3) There is no monitoring and evaluation of program recipients; Assistance provided to the community is not monitored in its utilization so that assistance for the development of small and micro businesses affected by COVID-19 is not used as stipulated in the provisions. People always think this is a grant from the government to all the people.

CONCLUSION

The implementation of the Government Assistance Program in an effort to recover the economy in Central Java still needs to be improved, it is based on the following variables: The content and objectives of the policy have been accurately measured so that the understanding of implementing agents both central and regional regarding the size and objectives of the program is very good and in accordance with what has been regulated in the Technical Implementation Manual. In addition, program benefits are also felt by program beneficiaries (beneficiaries) which are reflected in the program's success indicators. However, the implementation of the micro small business development assistance program is still constrained by several factors, namely the lack of optimal communication and program coordination, the lack of regular socialization related to the use of assistance for small business development, and the lack of awareness of program beneficiaries to develop their micro small businesses with capital assistance. has been received so that the capital assistance from the government can have an impact on the development of small and micro businesses affected by COVID-19.

REFERENCES

- Agustino, Leo. 2006. Politik dan Kebijakan Publik. Bandung: IAPI .
- Abdul Wahab, Solichin, 2008. Analisis Kebijakan Dari Formulasi ke Implementasi Kebijaksanaan Negara. Jakarta: Bumi Aksara.
- Dey,Ian 1993. Qualitative Data Analysis. London: Routledge
- Nawawi, Ismail.2009.Public Policy Analisis Strategi Advokasi Teori dan Praktek. Surabaya: PMN
- Nugroho, Riant. (2017). Public Policy: Teori, Manajemen, Analisis, Konvergensi, dan Kimia Kebijakan (edisi kelima). PT Elex Media Komputindo. Indonesia
- Putra, Dwi Aditya. (2018). UMKM Sumbang 60 Persen ke Pertumbuhan Ekonomi Nasional. Dipetik Oktober, 5, 2019.
- Primiana, Ina. 2016. Menggerakkan Sektor Riil UKM & Industri.. Bandung: Alfabeta
- Savitri, dkk . 2020. Dampak Dan Strategi Usaha Mikro Kecil Dan Menengah Di Masa Pandemi Dan Era New Normal. Jurnal Inovasi Penelitian. Vol. 1 No. 7 Desember 2020.
- Subarsono, Drs. AG. 2008. Analisis Kebijakan Publik: Konsep, Teori, dan Aplikasi. Yogyakarta:Pustaka Pelajar
- Tulus, Tambunan. (2002). Usaha Kecil dan Menengah di Indonesia: beberapa isu penting. Jakarta: Salemba